



Mourdock says the initiative's mission is to encourage Indiana businesses to become ESOP companies and preserve Hoosier jobs.

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[UPDATED] State Treasurer: Employee Stock Ownership Helps Keep Jobs in Indiana

InsideIndianaBusiness.com Report

 [Indiana State Treasurer Richard Mourdock says ESOP businesses are more likely to remain in Indiana.](#)

State Treasurer Richard Mourdock says encouraging more Employee Stock Ownership Programs (ESOP) will help keep businesses in Indiana and help people build wealth. Mourdock this morning unveiled a plan to invest up to \$50 million dollars in state money in Indiana banks that specifically lower their interest rates in loans made to employee-owned businesses. He says his office will work with two banking groups to have retiring baby-boomers consider selling their businesses to employees.

Source: Inside Indiana Business

Mourdock says there are just over 200 employee owned businesses in Indiana. He is hoping to have 20 additional businesses each year make the conversion.

Source: Inside Indiana Business

Press Release

INDIANAPOLIS (May 08, 2008) ? State Treasurer Richard Mourdock announced the designation of \$50 million and the launch of IEI for the purpose of assisting Indiana businesses to become ESOP companies, which will preserve Hoosier jobs.

?It?s not only critical that the state continues to bring new jobs to Indiana, but it?s absolutely essential that Indiana keeps the jobs it currently has,? asserted Treasurer Mourdock. ?IEI?s

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mission is to encourage Indiana businesses to become ESOP companies and preserve Hoosier jobs.

Treasurer Mourdock has placed the IEI within the Treasurer of State's Office and has created an "ESOP toolbox" of information regarding current Hoosier ESOP companies, organizations that provide professional services to ESOP companies, and educational materials about ESOP governance.

The \$50 million designated for IEI and its mission is set up as a "linked-deposit" program through the Treasurer of State's Office. In the ESOP Linked-Deposit Program, the Treasurer of State will purchase certificates of deposit from local financial institutions at reduced rates of interest, and in turn the financial institutions will provide loans at reduced rates of interest to Indiana businesses becoming Hoosier ESOP companies.

The initial rate financial institutions will be charging to Indiana businesses through the ESOP Linked-Deposit Program will be 4.25%. The State of Indiana will not be a guarantor or man any of the risk of default on loans made under this program.

"ESOP companies have a track record of creating wealth, encouraging the entrepreneurial spirit, and increasing productivity," explained Treasurer Mourdock. "Furthermore, no group of employee-owners has ever, ever, ever, ever moved their company to Mexico or China!"

For further information about IEI and the ESOP Linked-Deposit Program, please visit our website at www.in.gov/tos.

Source: Indiana State Treasurer Richard Mourdock

